

WASHINGTON – Recognizing the seriousness of our economic situation, U.S. Congressman Allen Boyd (D-North Florida) today called on President Obama and congressional leaders to extend all of the income tax cuts contained in *The Economic Growth and Tax Relief Reconciliation Act of 2001* (PL 107-16) that are set to expire at the end of the year. Boyd also chastised members of his own party for failing to recognize the importance of extending tax relief to all Americans during this critical period of economic recovery.

“Our economy is on the mend, but its recovery is fragile and raising taxes at this moment could jeopardize our efforts to climb out of this recession. Leaders in Washington must recognize this, and they must recognize that given the current state of our economy, extending tax cuts for all Americans is the right thing for our country at this time,” Congressman Boyd said. “Our nation is currently in the process of pulling itself out of the worst economic crisis since the Great Depression, and the last thing we need is to allow anything to stifle our economic recovery and job creation efforts. Extending these tax cuts will provide families and small businesses with the added confidence and stability they need to spend wisely and make sound investment decisions, both critical parts of ensuring our economy continues to strengthen and grow.”

Last week the non-partisan Congressional Budget Office (CBO) concluded that a short-term extension of the Bush-era tax breaks would boost the nation's gross domestic product (GDP) and reduce the national unemployment rate. According to the CBO, continuing all the tax cuts would increase GDP between 0.6 to 1.7 percentage points in 2011 and cut the unemployment by 0.3 to 0.8 percent.

Additionally, economists estimate that the highest earning American taxpayers are responsible for nearly 25 percent of national consumer spending, which comprises 70 percent of our economy, and that nearly one-third of high-income taxpayers are small business owners who are instrumental in creating local jobs and furthering our economy's recovery.

In a letter sent to congressional leaders today, Boyd – a tireless advocate of restoring fiscal responsibility to Washington – and other centrists members reiterated that temporarily extending tax cuts for all Americans can be done so in a fiscally responsible manner, stating:

“Paying for a short-term extension of the high-income brackets is possible without accruing new debt by using existing surplus funds identified on the PAYGO scorecard, while the PAYGO law already allows for the middle class tax cuts to be extended. This method protects all taxpayers by not adding further to our national debt.”

Boyd concluded: “While extending all the tax cuts is essential for addressing our economic problems at this time, reducing our deficit is the single best thing we can do to strengthen our economy in the long-term. We must continue to work together to advocate for smart, responsible fiscal and tax policies so that our country can continue to be the strongest, greatest nation in the world.”

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FOR IMMEDIATE RELEASE:

September 15, 2010

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